

Prague, 29 July 2021

Young people trust sustainable investing the most. Eight percent of people under 26 invest in green companies

- **65% of people will make their decision on “green measures” based on the financial outcome rather than on protection of the environment as such.**
- **Czechs typically invest in energy saving lamps (73% of people use them). Also, 43% of Czechs have invested in house insulation, and 36% of people have at their house a special retention tank or rainwater barrel.**
- **Nearly one-tenth of people aged below 26 and 7% of people aged 27–35 invest in sustainable companies.**
- **More than one-half of Czechs are not aware of the fact that cryptocurrencies have negative effects on the environment; 25% of people aged below 26 even think that cryptocurrencies are ecological.**

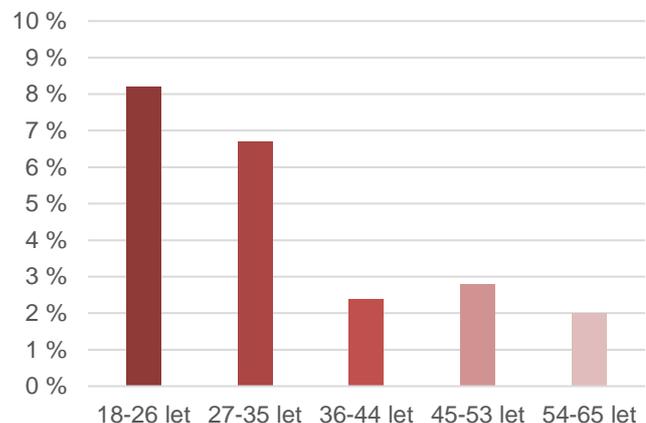
Twenty percent of Czechs find the return on investment into energy saving measures more important than before the COVID-19 pandemic, according to results of survey carried out by Generali Investments CEE via the Instant Research app by the Ipsos agency.¹

MONEY FIRST

Healthy environment is a factor for 98% of respondents, the survey showed. That being said, the decision on investments which may help protect the environment is based on the financial outcomes, not on personal values, for two-thirds of respondents. More than one-third of Czechs postpone investments into sustainable companies or “green measures” in their household because of the financial aspect. Financial support or higher yield would motivate 86% of respondents to further measures.

According to Czechs the most effective contribution to the protection of the environment is a change in one’s own behaviour (93% of respondents believe it). According to nearly one-half of respondents (or, 66% of those under 26, respectively) the choice of products purchased is a factor as well. **Only 6% of people know that they can help the climate by investments into green companies or funds focused on sustainability (or 14% in the case of people under 26, respectively).**

How Czechs invest in sustainable companies or funds – by respondent age groups



Source: Instant Research survey for Generali Investments CEE

“The data shows that while Czechs do care about the environment, money is more important to them. However, young people are increasingly aware of the fact that investments into environmentally responsible companies generate profit and help the climate at the same time. The increasing awareness and interest in investments into socially responsible companies among young people is fuelled by the efforts on the part of government organisations and companies to eliminate false information and “greenwashing”. Without further clarification, it is not possible to label a product or service as “green”. Instead, companies set specific goals

¹ The survey took place between 22 June and 25 June 2021 among 1,050 respondents from all regions of the Czech Republic aged 18–65 let. The data was collected via the Instant Research app of the Ipsos agency.

and publish real data on their activity,” says Marco Marinucci, portfolio manager, Generali Fond živé planety, Generali Investments CEE.

WHAT IS SUSTAINABLE INVESTING?

Sustainable investment is any financial investment where we anticipate return combined with positive effect on the environment. They include the aforementioned energy saving lamps or house insulation, as well as investment in companies whose business activity is responsible towards the environment.

Only 37% of Czechs are aware of the opportunity to invest in companies that pursue sustainability; or 54% of younger Czechs, respectively. Indeed, young people find these investments more and more attractive, as **8% of respondents under 26 and 7% of respondents aged 27–35 invest in “green” companies.**

“Investments into funds focused on sustainability are a good way to diversify one’s portfolio. The emphasis on the protection of the environment can be found in all business sectors. A key aspect is the transition to clean energy in industry, as well as consumer awareness. Their demand increases for openness and honesty when it comes to these companies’ impact on the environment. This makes investments into the green future a very attractive area,” Marinucci notes.

Investments into sustainable companies are motivated mostly by personal convictions (47%); high yields are a convincing factor for 42% of respondents. Eighty-two percent of respondents would prefer a green company to a conventional company given the same yield conditions.

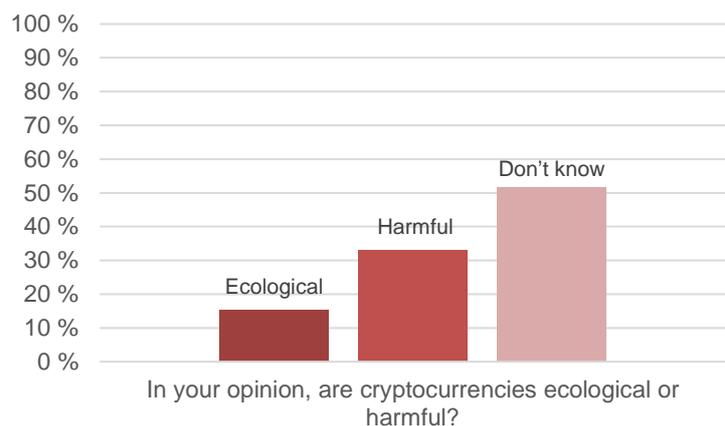
“Many Czechs still see green companies as an interesting novelty and not a real investment opportunity. Policymakers and investors are increasingly focused on the climate and the area of the protection of biodiversity or social inequality. This support environment is among the factors behind the exceptional performance of General Fond živé planety which saw 56% growth over the last two years,” Marinucci says.

YOUNG PEOPLE DO NOT SEE THE RISK OF CRYPTOCURRENCIES

To a certain extent, cryptocurrency transactions are the opposite of sustainable investments. Due to the extreme computing power for their operation, they pose a significant burden to the environment. According to research conducted by Cambridge University **the operation of the most famous cryptocurrency – Bitcoin – requires 121 TWh of electricity per year – twice as much as the consumption of the entire Czech Republic.**

“Cryptocurrencies are still very much a new thing; people talk about it but they do not know much about it. Young people are unaware of the related investment and environmental risks,” says Petr Mederly, Sales Director, Generali Investments CEE.

More than one-half of Czechs do not know about the effect of cryptocurrencies on the environment



Source: Instant Research survey for Generali Investments CEE

52% of Czechs do not know about the negative impact of the use of cryptocurrencies on the environment; **25% of respondents under 26 even think that they are environmentally friendly.** Two-thirds of people do not see the climate as a factor when deciding whether to invest in cryptocurrencies.

“On the other hand, sustainable companies have been here for a while, but only now are they experiencing the attention they deserve thanks to visible climate changes. It is definitely the right path going forward, and it is good to see that young people are aware of socially responsible investing, and show interest in it,” Mederly concludes.

NOTE FOR EDITORS

ABOUT THE SURVEY

The survey was conducted in June 2021 through the Instant Research service. 1,050 respondents from all over the Czech Republic took part in it. Respondents ranged in age from 18 to 65 years. The data was collected via the Instant Research app of the Ipsos agency.

ABOUT THE LION'S SHARE PROJECT

The Generali Investments CEE long-term project, the Lion's Share, maps investment behaviour in the Czech Republic. It monitors, among other things, preferred investment products, risk propensity, money in accounts and cash. The survey will be repeated periodically and will monitor market trends.

GENERALI INVESTMENTS CEE, INVESTMENT COMPANY, A.S.

It provides services in the field of collective investment and asset management. It has been operating on the market since 1991 (formerly ČP INVEST investiční společnost, a.s.). With assets of more than CZK 353 billion, according to current data, AKAT ČR is the largest asset administrator in the Czech Republic. Generali Investments CEE provides a comprehensive product offer and services to individual investors and institutions. More than 13,500 consultants of the internal and external distribution network, available at a total of 4,500 points of sale, take care of contact with clients and their satisfaction.

THE GENERALI GROUP

Generali Investments CEE is part of the Generali Group, one of the largest global insurance and asset management providers. Established in 1831, it is present in 50 countries in the world, with a total premium income of €70.7 billion in 2020. With more than 72,000 employees serving 65.9 million customers, the Group has a leading position in Europe and a growing presence in Asia and Latin America. Commitment to sustainability is one of the enablers of Generali's strategy, inspired by the ambition is to be the life-time partner to its customers, offering innovative and personalized solutions thanks to an unmatched distribution network. In Austria, Central and Eastern Europe and Russia the Group operates through its Austria, CEE & Russia Regional Office (Prague) in 13 countries as one of the top three insurers in the Region.